



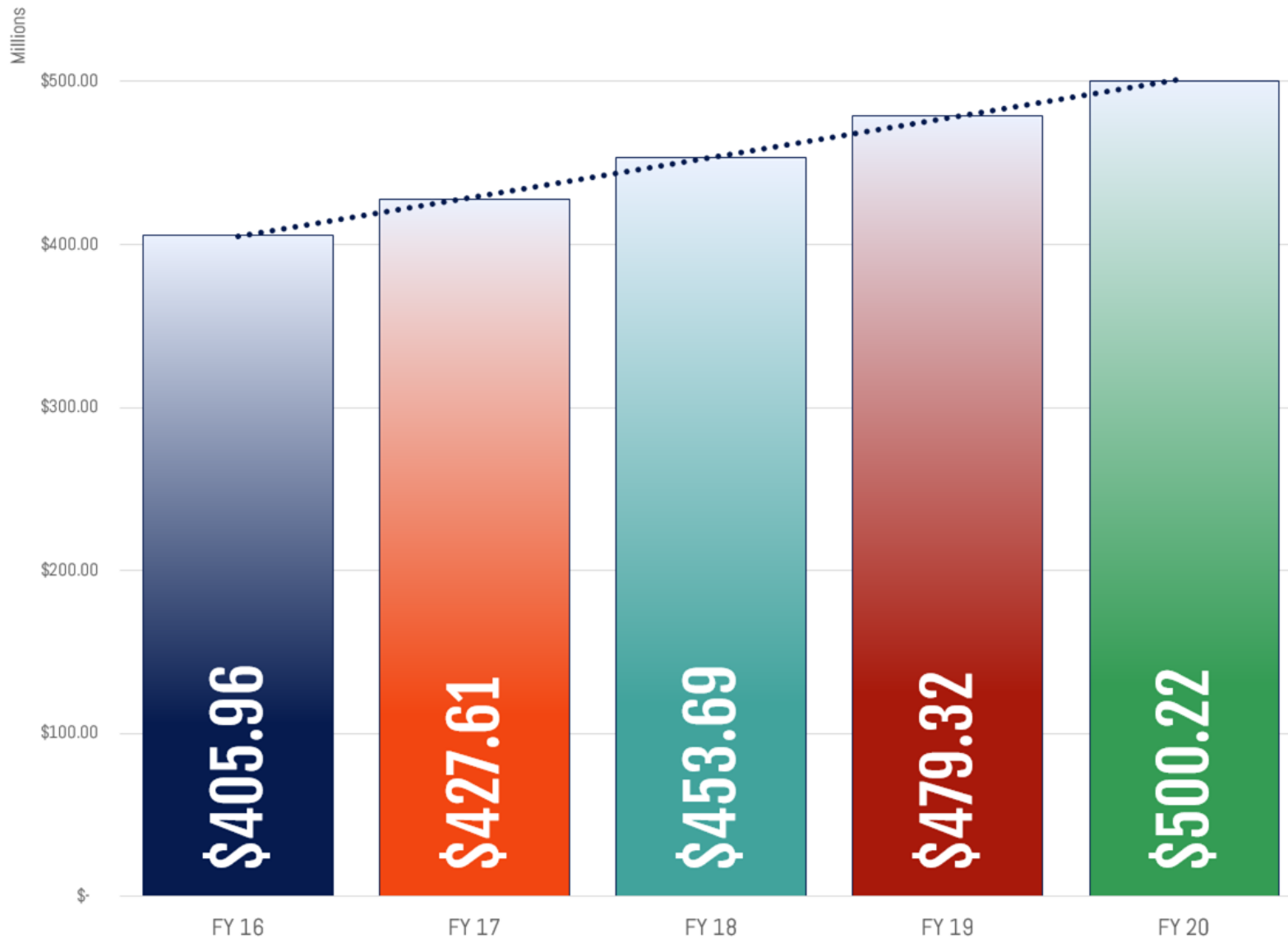
August 17th, 2020

Business, Economic Development, and Labor
Appropriations Subcommittee

UTAH DEPARTMENT OF
ALCOHOLIC BEVERAGE CONTROL



Revenue Growth DABC 5 years



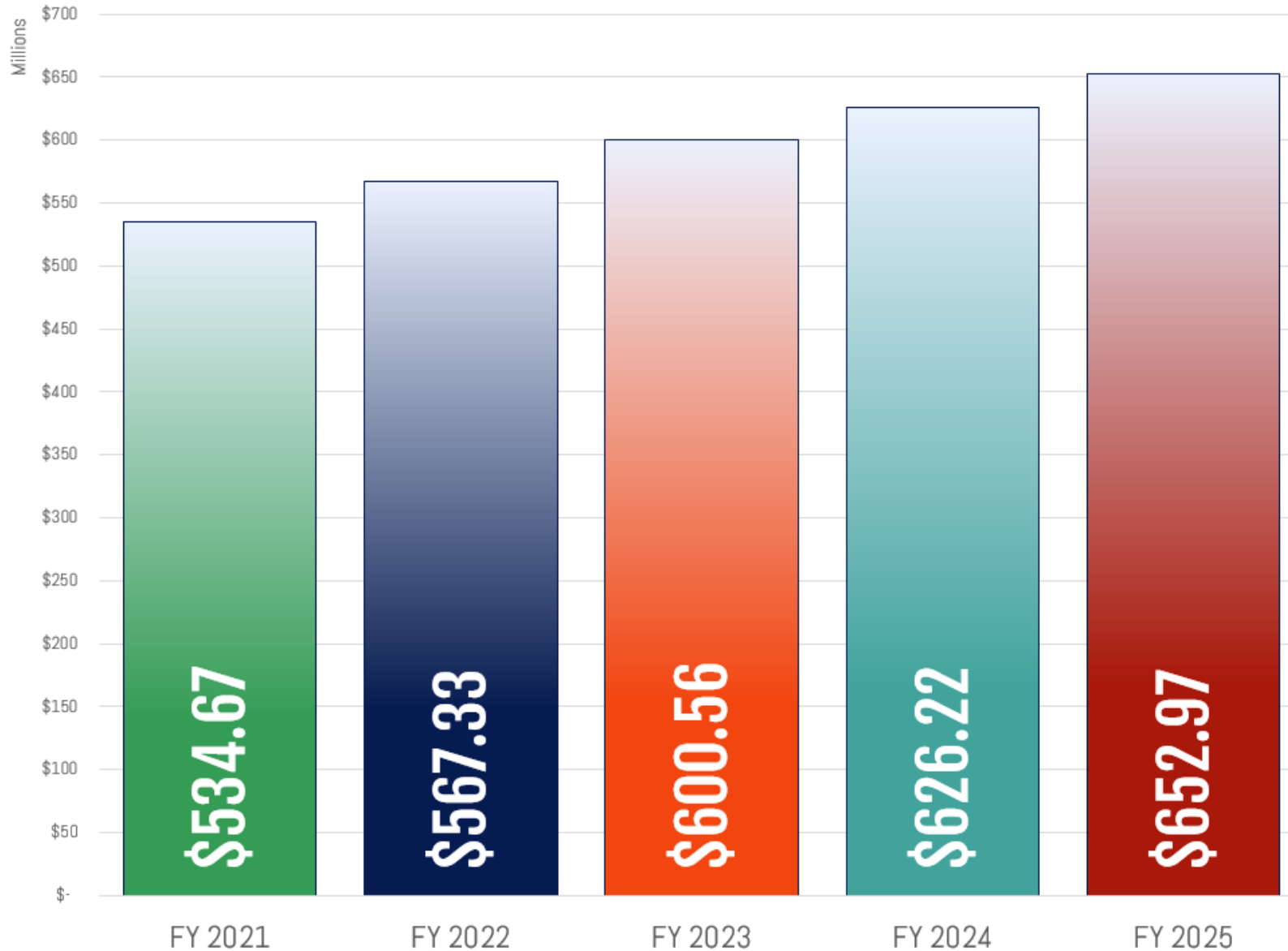
FY20 Revenue:
\$500,224,300

YOY Growth FY19:
4.361 %

5 Year CAGR:
4.265 %



5 Year Expected Growth – CAGR



FY20 Revenue:
\$500,224,300

5 Year CAGR:
4.96 % - PRE COVID
4.265 % - AFTER
COVID



Update on status of HB 157 (wine Services)

HB 157 Passed in February, 2020

- Steps made by DABC
 - Scope documents created
 - Working with DABC developers to determine API structure
 - Communicating with NIC for payment processing
 - Developed flowcharts of user process
 - Created mockups of user interface
 - Developed flowcharts of databases & connections

HB 157 was defunded in June in bill SB 5001

- DABC still continuing to scope and work





DABC Budget Update

- Business and Labor Presentation
 - Request to open a bill file
 - Address core issues of Pay and Labor
- DHRM conducting Labor audit
- High Turnover and use of Temporary Labor





New Facilities update

Store	Status
Saratoga Springs	Opens 4th Quarter of 2020
Farmington	Opens 4th Quarter of 2020
Taylorsville	Opens Summer of 2021
Foothill	Temporary Space during construction, Projected open 2022
Downtown	Land acquisition phase, Projected Open 2023
Sugarhouse	Land Development/Funding Request Stage, Open 2022
East Sandy	Site acquired/Funding Request Stage, Open 2022
West Valley City relocation	Site Acquired - Design Phase, open 2022



Saratoga Springs





Farmington





Taylorsville





Downtown rendering



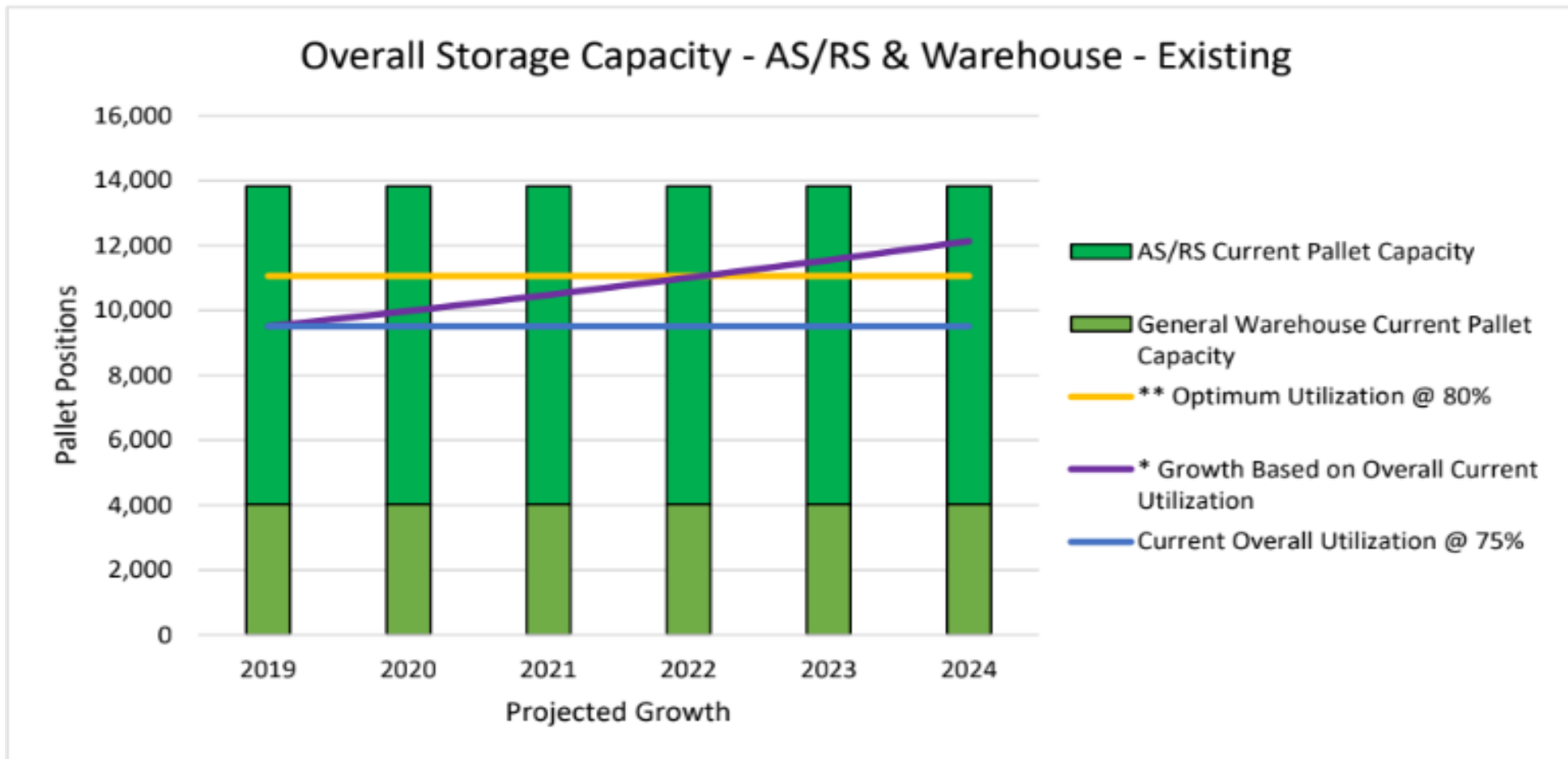


Warehouse Capacity Study

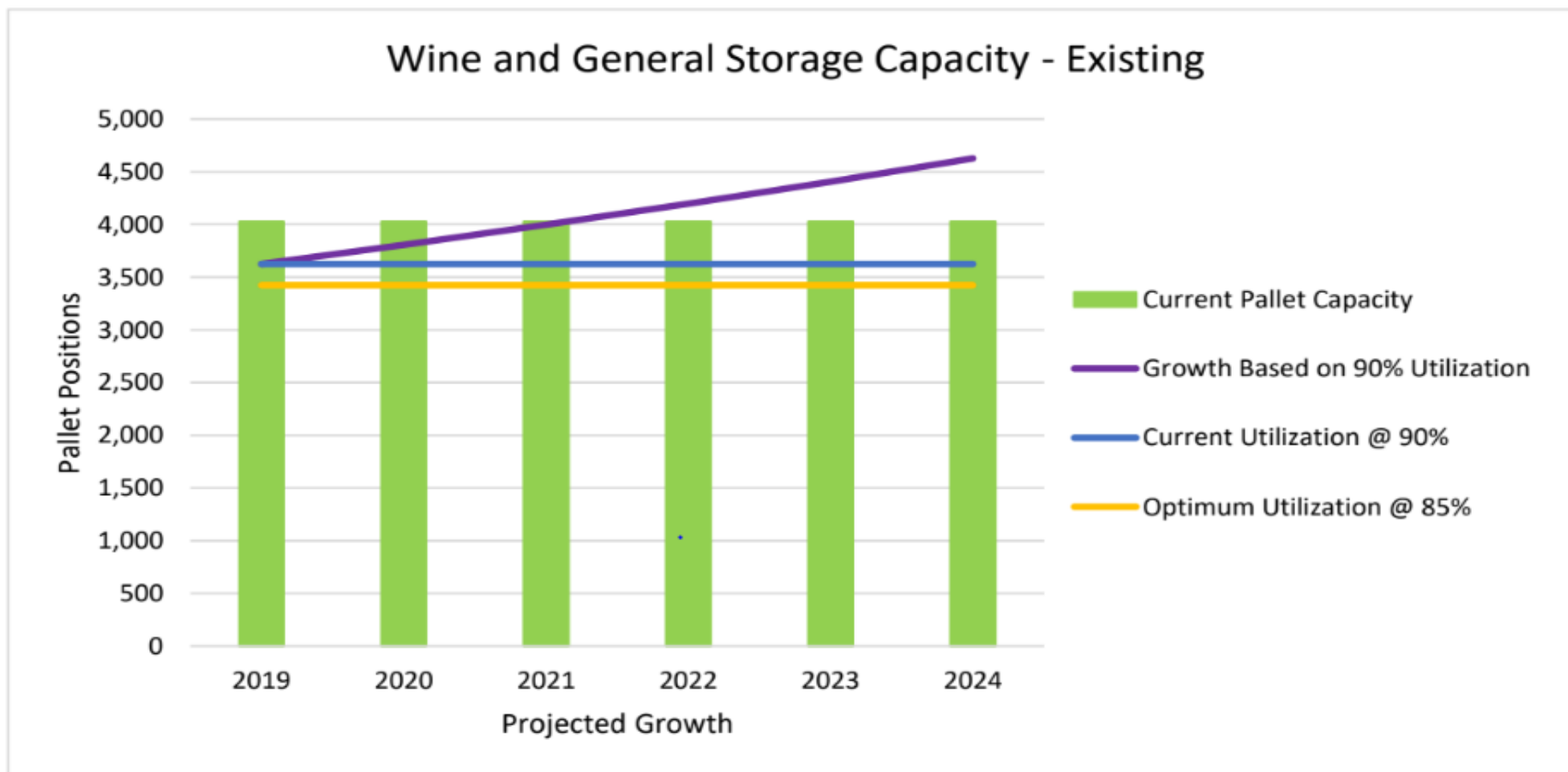
- Warehouse Optimum Utilization reached by year 2022 (80% Capacity)
 - Extra costs
- Club Store Optimum Utilization reached Currently
- Use of existing land planned for expansion



Warehouse Capacity Study – Warehouse



Warehouse Capacity Study – Club Store





Warehouse Capacity Study – Cost

The Master Plan includes recommendations for improvements in the Existing Warehouse areas and the new General Warehouse expansion and Club Store. This includes office support areas for the new proposed building expansion.

The estimates cost for the project new warehouse expansion project:

Material Handling and Storage Equipment Cost: \$14,406,000.00

Building Construction Costs: \$39,134,923.00

The above costs do not include software enhancements and related equipment costs.

Estimated Total Cost for expansion =
\$53,540,923.00



Thank You!

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Employee turnover costs

Full time store Employee = \$7,118.42

Part Time store Employee = \$ 1,068.38

Hard costs - recruiting hours, training hours, Product knowledge

Soft costs - reduction in manager recognition/coaching, customer service, OT

Cost to DABC for turnover last year in hard costs **\$1,272,944.75**